



JOHN NAIMO  
AUDITOR-CONTROLLER

**COUNTY OF LOS ANGELES  
DEPARTMENT OF AUDITOR-CONTROLLER**

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February 29, 2016

TO: Supervisor Hilda L. Solis, Chair  
Supervisor Mark Ridley-Thomas  
Supervisor Sheila Kuehl  
Supervisor Don Knabe  
Supervisor Michael D. Antonovich

FROM: John Naimo   
Auditor-Controller

SUBJECT: **POSITIVE PATH YOUTH DEVELOPMENT CENTER – A DEPARTMENT  
OF CHILDREN AND FAMILY SERVICES GROUP HOME CONTRACT  
PROVIDER – FISCAL COMPLIANCE REVIEW**

We completed a fiscal compliance review of Positive Path Youth Development Center (Positive Path or Agency), which included a sample of transactions from January 2013 through October 2014. The Department of Children and Family Services (DCFS) and the Probation Department contract with Positive Path to care for foster children placed in the Agency's group home (GH).

The purpose of our review was to determine whether Positive Path appropriately accounted for and spent GH Program funds to provide the services outlined in their County contract. We also evaluated the Agency's financial records, internal controls, and compliance with their County contract and applicable guidelines.

DCFS paid Positive Path \$706,707 from January 2013 through October 2014 on a fee-for-service basis between \$6,649 and \$6,973 per child per month. Positive Path provides services in the Third Supervisorial District.

**Results of Review**

Positive Path recorded and deposited DCFS cash receipts timely. However, our examination of Positive Path's financial statements for Calendar Year (CY) 2013 revealed that their weakened financial condition may jeopardize their ability to provide the required level of care to the foster children. Specifically, Positive Path's financial

statements indicate they are not financially viable and do not possess sufficient working capital to cover their operating expenses. Our concern is based upon a deficit of \$113,608 in net assets coupled with an operating loss of \$12,291 and a large debt obligation of \$102,500 in delinquent payroll taxes owed to the Internal Revenue Service (IRS) or the State Employment Development Department for CYs 2012 and 2013. Positive Path is required to submit their audited financial statements triennially. Therefore, the Agency's audited financial statements for CYs 2014, 2015, and 2016 are not due until September 2017. However, we confirmed with the IRS that Positive Path is current in their payment of CYs 2014 and 2015 payroll taxes and they are working to resolve their \$102,500 delinquency.

Positive Path should ensure that they do not use foster care funds to pay the penalties and interest assessed as a result of the delinquent payroll taxes. Positive Path should also submit a plan to DCFS demonstrating how they will continue to provide an appropriate level of care while addressing their financial condition. DCFS should monitor Positive Path to ensure they maintain the required level of care and consider placing the Agency in the County's Contractor Alert Reporting Database due to Positive Path's weakened financial condition.

Positive Path also did not always comply with their County contract requirements. Specifically, Positive Path:

- Inappropriately charged \$32,286 (\$19,015 unallowable + \$13,271 inadequately supported) in non-payroll expenditures reviewed to the County Program. For example, the Agency charged \$8,029 in unsupported non-salary payments to the Agency's Executive Director and Facility Manager.

*Positive Path's response, which is incorporated into DCFS' attached response, indicates that they will repay DCFS \$32,286.*

- Did not encrypt computers that contained confidential and Personally Identifiable Information.

*Positive Path's response, which is incorporated into DCFS' attached response, indicates that they will ensure all electronic devices have encryption software enabled to prevent unauthorized access and use.*

In addition, we identified areas where the Agency could strengthen their internal controls over unresolved bank items, the petty cash fund, fixed assets and equipment, payroll and personnel records, and the Semi-Annual Expenditure Report. Details of our review, along with recommendations for corrective action, are discussed in Attachment I.

### **Review of Report**

We discussed our report with Positive Path and DCFS on August 11, 2015. The Agency's Fiscal Corrective Action Plan (FCAP) that was approved by DCFS and incorporated in DCFS' response (Attachment II) indicates that the Agency agrees with our findings and recommendations. DCFS management will conduct a review of the Agency's implementation of their FCAP within 90 days of the approved FCAP, resolve the questioned expenditures identified in this report, and collect any disallowed amounts.

We thank Positive Path management and staff for their cooperation and assistance during our review. If you have any questions please call me, or your staff may contact Don Chadwick at (213) 253-0301.

JN:AB:PH:DC:AA:sgd

### **Attachments**

c: Sachi A. Hamai, Chief Executive Officer  
Philip L. Browning, Director, Department of Children and Family Services  
Calvin C. Remington, Interim Chief Probation Officer  
Joseph Kelly, Treasurer and Tax Collector  
Cynthia Williams, Executive Director, Positive Path Youth Development Center  
Board of Directors, Positive Path Youth Development Center  
B. Ray Thomas, Manager, Program/Provisional Unit, California Department of Social Services  
Commission for Children and Families  
Public Information Office  
Audit Committee

**POSITIVE PATH YOUTH DEVELOPMENT CENTER  
GROUP HOME CONTRACT PROVIDER  
FISCAL COMPLIANCE REVIEW  
JANUARY 2013 THROUGH OCTOBER 2014**

**FINANCIAL VIABILITY**

**Objective**

Determine whether Positive Path Youth Development Center (Positive Path or Agency), is financially viable and maintains sufficient working capital to provide adequate services under their Department of Children and Family Services (DCFS) contract.

**Verification**

We interviewed Agency management, reviewed their audited financial statements for Calendar Year (CY) 2013, and reviewed their financial records from January 1, 2013 through October 31, 2014. Positive Path is required to submit their audited financial statements triennially. Therefore, the Agency's audited financial statements for CYs 2014, 2015, and 2016 are not due until September 2017.

**Results**

Our examination of Positive Path's financial statements for CY 2013 revealed that their weakened financial condition may jeopardize their ability to provide the required level of care to the foster children. Specifically, Positive Path's financial statements indicate they are not financially viable and they do not possess sufficient working capital to cover their operating expenses. Our concern is based upon a deficit of \$113,608 in net assets coupled with an operating loss of \$12,291 and a large debt obligation of \$102,500 in delinquent payroll taxes owed to the Internal Revenue Service (IRS) or the State Employment Development Department (EDD) for CYs 2012 and 2013. We confirmed with the IRS that Positive Path is current in their payment of CYs 2014 and 2015 payroll taxes and they are working to resolve their \$102,500 delinquency.

As a result of their poor financial condition, Positive Path should submit a plan to DCFS demonstrating how they will continue to provide an appropriate level of care while improving their financial condition and resolving their delinquent payroll taxes without using foster care funds to pay the penalties and interest assessed by the IRS or EDD. DCFS should monitor and review the plan to determine if Positive Path will be able to financially cover payroll and all other related costs in order to maintain the required level of care for the foster children.

**Recommendations**

**Positive Path Youth Development Center management:**

1. Ensure foster care funds are not used to pay penalties and interest for delinquent payroll taxes.
2. Submit a plan to the Department of Children and Family Services demonstrating how they will continue to provide an adequate level of care while addressing their financial condition.

### **CASH/REVENUE**

#### **Objective**

Determine whether Positive Path properly recorded revenue in their financial records, deposited cash receipts into their bank accounts timely, and if bank account reconciliations were prepared, and reviewed and approved by Agency management timely.

#### **Verification**

We interviewed Agency personnel, and reviewed their financial records and October 2014 bank reconciliations.

#### **Results**

Positive Path properly recorded revenue in their financial records, deposited DCFS cash receipts timely, and prepared and reviewed their bank reconciliations in accordance with the Auditor-Controller Contract Accounting and Administration Handbook (A-C Handbook) Section B.1.4. However, the Agency had four checks totaling \$1,200 outstanding for over six months. We also noted that Positive Path does not maintain documentation to adequately track petty cash uses and replenishments, and the petty cash fund is not maintained on an imprest basis as required by A-C Handbook Section A.2.3.

#### **Recommendations**

##### **Positive Path Youth Development Center management:**

3. Ensure that outstanding items are resolved timely.
4. Maintain adequate documentation to track petty cash uses and replenishments, and maintain the petty cash fund on an imprest basis.

**COST ALLOCATION PLAN/EXPENDITURES****Objective**

Determine whether Positive Path developed their Cost Allocation Plan (Plan) using an appropriate cost allocation methodology, and if expenditures charged to the Group Home (GH) Program were allowable, properly documented, and appropriately allocated.

**Verification**

We interviewed Agency personnel, and reviewed their Plan and financial records for 31 non-payroll expenditures, totaling \$30,590, that the Agency charged to the GH Program from January 2013 through October 2014. Based on the results of our initial review, we expanded our sample to include an additional \$74,726 in non-payroll expenditures. As a result, we reviewed a total of \$105,316 in non-payroll expenditures.

**Results**

Positive Path was not required to prepare a Plan because the Agency only contracted with Los Angeles County during the review period. However, the Agency inappropriately charged unallowable and unsupported expenditures totaling \$32,286. Specifically, the Agency inappropriately charged \$19,015 for unallowable and \$13,271 for inadequately supported expenditures:

- \$8,029 (\$5,802 + \$2,227) in unsupported non-salary payments to the Executive Director (ED) and Facility Manager. We identified 39 payments totaling \$21,013 that the Agency made to the ED and Facility Manager. We questioned \$8,029 (38%) of the \$21,013 in payments for the following reasons:
  - \$5,802 in cash advances to the Agency's ED and Facility Manager. Agency management indicated that \$7,377 (35%) of the \$21,013 in payments were cash advances the Agency made to the ED and Facility Manager. However, the use of Program funds for this purpose is prohibited by Office of Management and Budget Circular A-122 (OMB A-122) Attachment B Section 19, Attachment A Section 2, and the GH Contract Section 24.2. We confirmed that the ED and Facility Manager repaid the Agency \$1,575 (21%) of the \$7,377. As a result, we questioned the remaining \$5,802 (\$7,377 - \$1,575) in non-salary payments.
  - \$2,227 in unsupported "loan repayments" to the ED. Agency management indicated that the remaining \$13,636 (65%) of the \$21,013 in payments, were repayments of funds the ED "loaned" to the Agency. We reviewed \$11,258 (83%) of the \$13,636 and noted the Agency did not provide documentation to support that \$2,227 (20%) of the \$11,258 reviewed were "loans" that came from the ED's personal funds. As a result, we questioned \$2,227 in payments as unsupported. In addition, the Agency did not establish legally enforceable promissory notes that govern the repayment of the loaned funds and the Agency

did not maintain records that the Agency's Board of Directors (Board) approved each of these loans in advance, as required by the A-C Handbook Section A.3.2.

- \$7,604 in unallowable bank penalties, late fees, and traffic citations. OMB A-122 Attachment B Section 16 does not allow Program funds to be used for these purposes.
- \$6,600 in unallowable psychiatric consultation services. The California Department of Social Services Manual of Policies and Procedures Section 11-402.825 and the Code of Federal Regulations Title 45 Section 1356.60 (c)(3) prohibits the use of foster care funds for this purpose.
- \$5,242 in inadequately supported expenditures. Specifically, the Agency did not provide sufficient documentation to determine whether the expenditures were Program related. OMB A-122 Attachment A Section 2 requires costs to be adequately documented to be allowable. A-C Handbook Section A.3.2 states that expenditures must be supported by original vouchers, invoices, receipts, vehicle mileage logs, or other supporting documentation, and that unsupported expenditures will be disallowed upon audit.
- \$3,855 in unallowable idle equipment (i.e., Agency vehicle) and expenditures for the ED's personal vehicle including finance charges, traffic citations, and lien pay-offs. OMB A-122 Attachment B Section 21 and 19 does not allow Program funds to be used for these purposes.
- \$956 in unallowable expenditures for medical services, non-Program consultation services, and an unused website domain account. GH Contract Section 3.4.3 requires agencies to utilize the Medi-Cal program for medical services to placed children. In addition, OMB A-122 Attachment A Section 2 indicates that expenditures that are not reasonable for the performance of the award are unallowable.

### **Recommendations**

#### **Positive Path Youth Development Center management:**

5. **Repay the Department of Children and Family Services \$32,286 (\$19,015 unallowable + \$13,271 inadequately supported) in expenditures.**
6. **Ensure that all expenditures charged to the Group Home Program are allowable and properly documented.**
7. **Immediately discontinue the practice of loaning foster care funds, and immediately prepare a valid, legally enforceable promissory note that shall govern the repayment of the outstanding loaned funds.**

8. Obtain Board of Directors approval prior to borrowing funds, and establish written loan agreements for existing loans and for any future loans indicating the amounts borrowed and the repayment terms.

### **FIXED ASSETS AND EQUIPMENT**

#### **Objective**

Determine whether Positive Path's fixed assets and equipment purchased with GH Program funds were used for the Program and adequately safeguarded.

#### **Verification**

We interviewed Agency personnel, and reviewed their fixed assets and equipment inventory list. We also performed a physical inventory of nine items purchased with GH Program funds to verify the items exist and were being used for the GH Program.

#### **Results**

Positive Path did not maintain adequate controls over their fixed assets and equipment as required by the A-C Handbook Section B.4.2. Specifically, Positive Path's listing was incomplete and did not always include the item description, serial number, purchase date, acquisition costs, or source(s) of funding. In addition, the Agency did not conduct an inventory of their fixed assets annually.

#### **Recommendations**

**Positive Path Youth Development Center management:**

9. Ensure the fixed asset and equipment inventory listing is complete and always includes the item description, serial number, purchase date, acquisition cost, and funding source.
10. Perform an annual physical inventory.

### **PAYROLL AND PERSONNEL**

#### **Objective**

Determine whether Positive Path charged payroll expenditures to the GH Program appropriately and maintained personnel files as required.



**Verification**

We compared the payroll expenditures for six employees, totaling \$13,364 for August 2014, to the Agency's payroll records and time reports. We also interviewed employees, and reviewed personnel files for the six employees.

**Results**

Positive Path generally maintained their personnel files as required by their County contract. In addition, the Agency maintained appropriate time records for the six employees reviewed. However, we noted that the ED's timesheet was not approved by a Board member as required.

**Recommendation**

- 11. Positive Path Youth Development Center management ensure the Executive Director's timesheet is reviewed and approved by a Board member.**

**ENCRYPTION CONTROLS****Objective**

Determine whether Positive Path maintained encryption software to protect confidential and Personally Identifiable Information (PII).

**Verification**

We interviewed Agency personnel, reviewed Agency policies and procedures, and performed a physical inventory of three electronic devices to ensure they had encryption software that was enabled to prevent unauthorized access and use.

**Results**

Positive Path's electronic devices did not have encryption software or the encryption software was not enabled as required by A-C Handbook Section A.3.0. Positive Path should ensure their electronic devices that contain confidential and PII have encryption software enabled to prevent unauthorized access and use.

**Recommendation**

- 12. Positive Path Youth Development Center management ensure all electronic devices that have confidential and Personally Identifiable Information have encryption software enabled to prevent unauthorized access and use.**

**SEMI-ANNUAL EXPENDITURE REPORT****Objective**

Determine whether Positive Path's January through June 2014 Semi-Annual Expenditure Report (SAER) reconciled to their financial records and whether the Agency had any unspent revenue.

**Verification**

We interviewed Agency personnel, and compared their January through June 2014 SAER to their financial records.

**Results**

Positive Path's January through June 2014 SAER did not reconcile to their financial records. Specifically, the Agency's SAER was understated by an immaterial amount because the Agency did not include a payment to EDD. As a result, Positive Path needs to revise their January through June 2014 SAER and provide DCFS with a revised SAER.

**Recommendation**

13. Positive Path Youth Development Center management revise the January through June 2014 Semi-Annual Expenditure Report and provide the Department of Children and Family Services a revised Semi-Annual Expenditure Report.



PHILIP L. BROWNING  
Director

**County of Los Angeles  
DEPARTMENT OF CHILDREN AND FAMILY SERVICES**

425 Shatto Place, Los Angeles, California 90020  
(213) 351-5602

**Board of Supervisors**

HILDA L. SOLIS  
First District

MARK RIDLEY-THOMAS  
Second District

SHEILA KUEHL  
Third District

DON KNABE  
Fourth District

MICHAEL D. ANTONOVICH  
Fifth District

December 10, 2015

Cynthia Williams, Executive Director  
Positive Path Youth Development Center  
24825 Neptune Ave.  
Carson, CA 90745

Dear Ms. Williams:

**POSITIVE PATH YOUTH DEVELOPMENT CENTER – A DEPARTMENT OF  
CHILDREN AND FAMILY SERVICES GROUP HOME CONTRACT  
PROVIDER – FISCAL REVIEW**

We have reviewed your revised fiscal corrective action plan (FCAP) received on December 6, 2015 in response to the Auditor-Controller's final draft fiscal audit. With regard to the \$32,286 in questioned costs, Positive Path Youth Development Center and DCFS agreed that the total of \$32,286 was disallowed and must be repaid to the Department. Additionally, Fiscal Compliance staff will conduct an on-site review within 90 days to ensure compliance with implementation of the corrective actions.

Please make your check payable to DCFS Cashier in the amount of \$32,286 and mail to:

Bing Bing Wu  
Fiscal Operation-Accounting Services  
Department of Children and Family Services  
425 Shatto Place Rm. 204  
Los Angeles, Ca. 90020

Or, to enter into a repayment agreement, please contact the Los Angeles County Treasurer and Tax Collector (TTC) to schedule a date and time to sign a repayment agreement for the amount of \$32,286. The terms of the repayment agreement would be determined and negotiated with TTC. Please contact:

Hamlet Panosian, MPA  
Assistant Operations Chief  
Los Angeles County Treasurer and Tax Collector  
Revenue and Enforcement – Business License/Collections Section  
225 N. Hill Street, Room 109  
Los Angeles, CA 90012  
(213) 974-0782  
[hpanosian@ttc.lacounty.gov](mailto:hpanosian@ttc.lacounty.gov)

*"To Enrich Lives Through Effective and Caring Service"*

I trust the attached documents will facilitate the audit resolution process for you. If you have any questions, please contact Ali Gomaa-Mersal, Financial Specialist IV, at (213) 351-0182.

Sincerely,

*Ali Gomaa - Mersal for*

Kristine Ovsepyan, ASM II  
Fiscal Compliance Unit

**Attachments**

c: Aggie Alonso, Chief Accountant-Auditor (via electronic mail only)  
Rhonda David-Shirley, CSA III (via electronic mail only)

**AUDITOR-CONTROLLER'S FISCAL REVIEW OF POSITIVE PATH YOUTH  
DEVELOPMENT CENTER – A DEPARTMENT OF CHILDREN AND FAMILY  
SERVICES GROUP HOME CONTRACT PROVIDER**

**Note:** Department of Children and Family Services (DCFS) will only review documentation not previously provided to the Auditor-Controller.

**Summary of Recommendations**

Based on the revised FCAP dated 12/6/15, submitted by Positive Path Youth Development Center, status of each recommendation is summarized as follows:

- 13 Recommendations (1-13) were fully addressed.
- \_\_\_ Recommendations (\_\_\_\_) were partially addressed.
- \_\_\_ Recommendations (\_\_\_\_) directed to the Department were addressed.

**Recommendation Status**

1. **Positive Path Youth Development Center management ensure foster care funds are not used to pay penalties and interest for delinquent payroll taxes.**

**Agency Proposed FCAP:** The current Executive Director (ED) did not encumber the position as ED, during the initial tax period penalties and interest that was accrued. Nevertheless, the ED has agreed to pay for all penalties and interest of delinquent payroll taxes with her personal monies.

**DCFS Response:** Fiscal Compliance staff will conduct an on-site review within 90 days to ensure compliance with implementation of the corrective actions.

2. **Positive Path Youth Development Center management submit a plan to the Department of Children and Family Services demonstrating how they will continue to provide an adequate level of care while addressing their financial condition.**

**Agency Proposed FCAP:** Positive Path will submit a plan within the next 30 days to show how they will continue to provide an adequate level of care while addressing their financial condition.

**DCFS Response:** Fiscal Compliance staff will conduct an on-site review within 90 days to ensure compliance with implementation of the corrective actions.

3. **Positive Path Youth Development Center management ensure that outstanding items are resolved timely.**

**Agency Proposed FCAP:** Positive Path Management will have someone with no cash handling, or check writing functions to reconcile back statements. Positive Path management will ensure outstanding items are resolved timely.

**DCFS Response:** Fiscal Compliance staff will conduct an on-site review within 90 days to ensure compliance with implementation of the corrective actions.

4. **Positive Path Youth Development Center management maintain adequate documentation to track petty cash uses and replenishments, and maintain the petty cash fund on an imprest basis.**

**Agency Proposed FCAP:** Positive Path management will ensure adequate documentation to track petty cash uses and replenish, and maintain the petty cash fund on an imprest basis.

**DCFS Response:** Fiscal Compliance staff will conduct an on-site review within 90 days to ensure compliance with implementation of the corrective actions.

5. **Positive Path Youth Development Center management repay the Department of Children and Family Services \$32,286 (\$19,015 unallowable + \$13,271 inadequately supported) in expenditures.**

**Agency Proposed FCAP:** Positive Path will repay \$32,286, to the Department of Children and Family Services.

**DCFS Response:** Please make your check payable to DCFS Cashier in the amount of \$32,286 and mail to:

Bing Bing Wu  
Fiscal Operation-Accounting Services  
Department of Children and Family Services  
425 Shatto Place Rm. 204  
Los Angeles, Ca. 90020

Or, to enter into a repayment agreement, please contact the Los Angeles County Treasurer and Tax Collector (TTC) to schedule a date and time to sign a repayment agreement for the amount of \$32,286. The terms of the repayment agreement would be determined and negotiated with TTC.

Please contact:

Hamlet Panosian, MPA  
Assistant Operations Chief  
Los Angeles County Treasurer and Tax Collector  
Revenue and Enforcement – Business License/Collections Section  
225 N. Hill Street, Room 109  
Los Angeles, CA 90012  
(213) 974-0782  
[hpanosian@ttc.lacounty.gov](mailto:hpanosian@ttc.lacounty.gov)

6. **Positive Path Youth Development Center management ensure that all expenditures charged to the Group Home Program are allowable and properly documented.**

**Agency Proposed FCAP:** PPYDC will ensure all expenditures charged to the Group Home Program are allowable and properly documented.

**DCFS Response:** Fiscal Compliance staff will conduct an on-site review within 90 days to ensure compliance with implementation of the corrective actions.

7. **Positive Path Youth Development Center management immediately discontinue the practice of loaning foster care funds, and immediately prepare a valid, legally enforceable promissory note that shall govern the repayment of the outstanding loaned funds.**

**Agency Proposed FCAP:** Positive Path Management will immediately discontinue the practice of loaning foster care funds, and will immediately prepare a valid, legally enforceable promissory note that shall govern the repayment of outstanding loaned funds.

**DCFS Response:** Fiscal Compliance staff will conduct an on-site review within 90 days to ensure compliance with implementation of the corrective actions.

8. **Positive Path Youth Development Center management obtain Board of Directors approval prior to borrowing funds, and establish written loan agreements for existing loans and for any future loans indicating the amounts borrowed and the repayment terms.**

**Agency Proposed FCAP:** Positive Path Youth Development Center management will obtain Board of Director approval prior to borrowing funds, and establish written loan agreements for existing loans and for any future loans indicating the amounts borrowed and the repayments terms.

**DCFS Response:** Fiscal Compliance staff will conduct an on-site review within 90 days to ensure compliance with implementation of the corrective actions.

9. **Positive Path Youth Development Center management ensure the fixed asset listing is complete and always includes the item description, serial number, purchase date, acquisition cost and funding source.**

**Agency Proposed FCAP:** PPYDC Management Staff will ensure fixed assets are listed and always include the description of the item, serial number, purchase date, acquisition cost and funding source.

**DCFS Response:** Fiscal Compliance staff will conduct an on-site review within 90 days to ensure compliance with implementation of the corrective actions.

10. **Positive Path Youth Development Center management perform an annual physical inventory.**

**Agency Proposed FCAP:** PPYDC will perform annual physical inventories.

**DCFS Response:** Fiscal Compliance staff will conduct an on-site review within 90 days to ensure compliance with implementation of the corrective actions.

11. **Positive Path Youth Development Center management ensure the Executive Director's timesheet is reviewed and approved by a Board member.**

**Agency Proposed FCAP:** Executive Director will keep records and ensure the time card is reviewed and approved by a Board member.

**DCFS Response:** Fiscal Compliance staff will conduct an on-site review within 90 days to ensure compliance with implementation of the corrective actions.

12. **Positive Path Youth Development Center management ensure all electronic devices that have confidential and Personal Identifiable Information have encryption software enabled to prevent unauthorized access and use.**

**Agency Proposed FCAP:** PPYDC management will ensure all electronic devices that have confidential and Personal Identifiable Information have encryption software enabled to prevent unauthorized access and use.

**DCFS Response:** Fiscal Compliance staff will conduct an on-site review within 90 days to ensure compliance with implementation of the corrective actions.

13. **Positive Path Youth Development Center management revise the January to June 2014 Semi-Annual Expenditure Report and provide the Department of Children and Family Services a revised Semi-Annual Expenditure Report.**

**Agency Proposed FCAP:** PPYDC has revised the January to June 2014 Semi-Annual Expenditure Report and will submit the report to the Department of Children and Family Services.

**DCFS Response:** Please submit a copy of the revised January to June 2014 Semi-Annual Expenditure Report to the Fiscal Compliance Unit by 12/28/15. Fiscal Compliance staff will conduct an on-site review within 90 days to ensure compliance with implementation of the corrective actions.